

CITIZENS COMMITTEE FOR MICHIGAN STATE PARKS

Wednesday, June 13, 2007
Foster Community Center
Lansing, Michigan

MINUTES

MEMBERS PRESENT

Murdock Jemerson, Chair
James Bradley
Betsy Clark
Rev. Hurley Coleman, Jr.
Tom Ferguson, Vice Chair
Chris Graham
Jim Hendricks
Bob Hoffmeyer
Kathy Lewand
Mike McDonald
Mary Pitcher
Bill Rose
Todd Scott

MEMBERS ABSENT

Tom Bailey
Chuck Nelson
Janet Howard Washington
Sam Washington

EX-OFFICIO MEMBERS PRESENT

Sandra Clark
Mary Brown

EX-OFFICIO MEMBERS ABSENT

Curtis Hertel
Donna Stine

DNR SUPPORT STAFF PRESENT

Ron Olson, Chief
Vicki Anthes
George Cameron
Tony Herek
Yolanda Taylor

INTRODUCTIONS

Murdock Jemerson, Chair, called the meeting to order at 9:30 a.m. with roll call, introductions and an overview of the meeting agenda. Legislative Updates was moved to the beginning of the agenda due to an early afternoon legislative hearing addressing the proposed Great Lakes State Park legislation. The Department's budget update will be addressed earlier in the schedule to accommodate the DNR presenter's schedule. Mike McDonald asked that the MCCC program be added to the Agenda, and approval of the Minutes will follow the lunch break.

GREAT LAKES STATE PARK LEGISLATION

Dan Eichinger, from the DNR Legislative Liaison's Office, gave a brief overview of a 6 bill package that was introduced by Senator McManus proposing the creation of an underwater Great Lakes State Park. The idea is to create diving, and other, opportunities in the Great Lakes, to be administered by the DNR. A hearing is scheduled at 1:00 p.m to vote on this package of bills and Natural Resources Commission Chair, Keith Charters, is going to testify. The DNR is not in support of these bills based on many unanswered questions, to include management of the Great Lakes bottomlands and its resources, tribal fishing interests, gill nets, fiber optic cables below the Great Lakes bottomlands, footings for the Mackinac Bridge, the tunnel to Windsor from Detroit, Great Lakes shipping, and more. One of the main concerns is the lack of funding or a funding source to create and administer such a proposal.

Discussions continued regarding this legislation, including the impact to the DNR and other state agencies that share responsibility of administering programs associated with the Great Lakes, and the proposed creation of an additional advisory committee that conflicts with the role of this Committee. The Committee reviewed the proposed resolution opposing this legislation, minor changes were made to the language, and it was then presented for motion and adoption.

Once the Committee members agreed upon the language in the Resolution, Betsy Clark motioned to support the Resolution, as amended; Jim Hendricks seconded the motion; all members voted and the motion to support the Resolution opposing legislation to create a Great Lakes State Park was unanimously approved and adopted by the Committee.

The Committee approved presenting this Resolution to Senator McManus and the Senate Committee at their hearing, and asked that the final Resolution, as amended, be provided to all Committee members along with the results of the hearing.

PUBLIC COMMENT

Charity Steer, of Grass Lake, commented that she strongly supports the equestrian trail proposals for Proud Lake and Waterloo Recreation Areas and feels that trails can be shared between trail riders and equestrians. She asked that she, and the Waterloo Hunt Club, receive updates regarding any equestrian trail proposals. DNR staff agreed to add them to a list and provide updates as they occur.

APPROVAL OF MINUTES

Kathy Lewand commented that the delay in distributing meeting minutes and materials is unacceptable. She proposed that staff have the draft minutes of each meeting distributed at least 2 weeks following each meeting for comments or edits, and meeting materials be distributed at least 1 week in advance of a meeting, especially those items requiring a decision or action by the Committee. The Chair and DNR staff agreed to these terms and will prepare a schedule addressing the timely distribution of meeting minutes and materials.

Kathy Lewand made a motion to approve the March 28, 2007 Minutes with minor edits mentioned; Betsy Clark seconded the motion; the motion unanimously carried and the March 2007 Minutes were approved with the incorporation of the edits mentioned.

CONSERVATION COALITION UPDATE

Rachel Kuntzsch, Executive Director, Heart of the Lakes Center for Land Conservation Policy, provided an update on what has occurred since the Conservation Summit in February, 2007. She mentioned that Heart of the Lakes has been involved in a lot of different projects to help aide the conservation funding effort, including a study with Michigan State University to determine how funding in Michigan compares with other states, and conducted a public opinion poll and did some outreach efforts to create more public awareness. They also did research on different funding options, which she briefly reviewed in her presentation, "Conservation Funding for the Future of Michigan."

The top options for long-term sustainable funding included an increase in the real estate transfer tax, severance tax on minerals, extraction tax for commercial water sales, altering the Michigan Natural Resources Trust Fund to increase annual expenditures, waste tipping fees, sour gas flare-off tax, unclaimed bottle and can deposits, and sales tax earmark/increase. After conducting a public opinion poll of 600 people statewide, the highest votes supported the non-renewable mineral severance tax and a sales tax increase. Currently, the state only receives 1/8 of one cent of sales tax towards conservation. However, the problem with the dedicated sales tax option is that it would require voter support and the odds of passing sales tax legislation is low.

She mentioned that this would be similar to the tax on oil and gas and, at a rate of 6 to 7 percent, has the potential to raise an estimated \$100 to \$300 million annually. The Heart of the Lakes and Michigan United Conservation Clubs has been working with the legislature, and the non-renewable severance tax is the most viable option to move forward at this time. She commented that there is a good chance that something could move forward this summer but, right now, they are working on introducing legislation.

Discussions continued regarding long-term sustainable funding for conservation and what this Committee could do to assist in these efforts. Rachel stated that once a bill has been introduced and it can be discussed publicly, this Committee could and should play a major role by contacting their legislators, through community outreach and public appearances, spreading the word and gaining support. In the meantime, if Committee members choose to continue to contact their legislators, they are welcome to do so.

Chair Jemerson mentioned that he talked to Representative Bower and a group of legislators that regularly meet are interested in hearing this information. Murdock will try to get this group together and get their support. Rachel stated she would be willing to make a presentation to this group of legislators.

The Committee thanked Rachel for her presentation. Rachel's presentation, and other information and updates related to the coalition's efforts, can be found on The Heart of the Lakes website at www.heartofthelakes.org.

PORT CRESCENT LODGING PARTNERSHIP BRIEFING

Carl Osentoski, Executive Director of the Huron County Economic Development Corporation, attended the meeting to present their proposal for a lodging pilot program in Port Crescent State Park. Betsy Clark reminded the group that this proposal was presented to, and reported out by, the Programming and Operations Subcommittee at the March 28, 2007 meeting.

Mr. Osentoski stated that he previously had the opportunity to serve on the Vision 2020 group, and there was a portion in that plan that addressed lodging in state parks and the formation of a lodging subcommittee. In the past several years since this study, the Huron County Economic Development Corporation's Board of Directors have been looking at the economy in the Huron County area and how to attract more visitors to the Upper Peninsula. They started conversations with local government officials and other stakeholder groups, and submitted this proposal for a lodging pilot program at Port Crescent State Park. They are proposing to place a lodging facility at Port Crescent State Park as it is an ideal location with many amenities.

Mr. Osentoski asked the Committee if they would be interested in developing this idea and, if so, would need their approval to move forward to the next step, which would be to first conduct a marketing and feasibility study. Their organization is looking at doing something in the area that is new and creative, while generating revenue to the state as well as the local communities surrounding the area.

Chair Jemerson asked how they intend to operate this program financially. Mr. Osentoski responded that, if the feasibility study determines there is a market for this, then discussions would begin between the developers, their organization, DNR state park management, and this Committee. The state would continue to own the property, a long-term lease would be established and a flat fee or percentage of revenues could be established via a long-term lease agreement.

Tom Ferguson commented that there is no destination resort in the thumb area, and a lodge would create that type of destination and facility.

Mr. Osentoski further commented that this has the potential of opening up more avenues for hotels, amusement parks, and other recreational opportunities in this area. He feels it would generate more development in the Port Crescent area and surrounding communities, to include additional amenities once people were attracted to the area. It would also help the communities.

Bill Rose questioned if protection of the natural resources would also be considered. Carl responded that this would be a requirement in the planning and development stages, as well as what the state would receive and their share of the revenues.

Betsy Clark asked if they were asking for any money from the state to do the feasibility study. Carl responded that Michigan Economic Development Corporation has a block grant program for targeted feasibility studies with a 50/50 match, and would look at other grants to help fund this feasibility study. He further commented that the USDA and their Board of Directors have expressed an interest in funding this study, with no money being requested from the state.

The question was raised as to why they did not consider county parks in the surrounding area. Carl responded that they are not large enough and do not lend themselves to what they are proposing, with all the amenities. Caseville County Park would be one option but, unfortunately, the county has established trailer rentals, so they would have to have a very serious proposal. No other parks in the area are well suited for this opportunity, other than Port Crescent.

The question was raised as to law enforcement. Carl responded that this would have to be addressed with state and local law enforcement.

Jim Hendricks commented that there are a lot of people that want to stay in parks, but do not like sleeping in tents. Lodging is one opportunity to attract more people to state parks. He strongly supports this as a pilot program. However, if things start to develop, who would approve a private lease or contract for this proposal? Ron Olson responded that, if this group felt that proceeding with a feasibility study was justified, then this Committee would present the proposal to the Natural Resources Commission as information and obtain their support to move forward with a feasibility study. Part of the study, however, should address natural resource protection, environmental concerns, costs associated with operation and maintenance, revenue to the state, etc.

Vicki Anthes recommended that the county parks and surrounding communities also be included in the feasibility study.

Hurley Coleman commented that he felt this was an excellent idea but, based on the existing budget problems, the department is not in a good position to move forward on such a proposal at this time.

Further discussions continued regarding this proposal, the feasibility study and if this was a good opportunity. Concerns were raised that the feasibility study should be structured for lodging opportunities in the entire thumb area and how to increase opportunities in that area. A lodge at Port Crescent should be just one part of the study and not the entire study or focus. It should also focus on tourism opportunities and revenues that could be generated in the area. The feasibility study also should not involve just one company or developer, but rather a group of developers, stakeholders and more neutral parties.

Carl responded that he is willing to accept the decisions and recommendations of this Committee. There are a lot of opportunities, such as golf courses, trails, water trails, etc. He further commented that there will be some concerns and obstacles, but is willing to cooperate and discuss these with this Committee and department staff to work through these details.

Jim Hendricks made a motion to support the concept of conducting a feasibility study for the possibility of a private lodge in Port Crescent State Park, pending approval by the NRC; Kathy Lewand seconded the motion; 8 were in support, 5 opposed; and the motion carries.

Chair Jemerson adjourned the meeting for lunch at 12:15 p.m., but with the understanding that they would reconvene within one-half hour.

WATERLOO RECREATION AREA PARTNERSHIP CONCEPT

Ron Olson, DNR Parks and Recreation Chief, briefed the Committee regarding a potential partnership with NASCAR's Racing for Wildlife program. The concept is to work with the DNR to create a family-oriented, outdoor recreation program designed to get people outdoors. NASCAR's sponsoring partners would fund necessary facility renovations and program expenses, in cooperation with the DNR.

The Committee discussed the proposal and its potential. Mary Pitcher raised concerns about the association of NASCAR with protecting the natural resources. Hurley Coleman commented that interest in NASCAR is rising in urban areas.

Chair Jemerson requested the Committee consider an endorsement of this potential partnership. Mike McDonald made a motion that the Citizens Committee endorse and move forward with this partnership with NASCAR's Racing for Wildlife program; Chris Graham seconded the motion; the Committee voted; there was only one objection; and the motion passed.

PARKS AND RECREATION REPORTS AND UPDATES

Michigan State Parks Foundation

Ron Olson commented that approximately 15 names were presented to the Governor's Office. However, the Governor's Office also has an interest in recommending people to sit on this board, and that is the last they have heard. He stated that he will update this Committee as things develop.

PRD Strategic Planning and Rockport Management Planning Process

Paul Curtis gave a brief update on the status of the PRD Strategic Planning and the Rockport (a/k/a the Negwegon, Rockport, and Thompson's Harbor) Management Planning process.

The department had to cancel the public workshop in April due to travel restrictions. However, they did conduct 5 public input sessions statewide during the months of March and April, and received input from 75 citizens, most comments addressing the parks side versus boating. Realizing that they needed more public input, they developed a general comment card regarding both the parks and boating programs. They are being distributed at various parks and boating access sites through mid-July, and the results of the comment cards will be presented to this Committee in the near future.

Paul handed out the agenda for the Negwegon, Rockport, and Thompson's Harbor (NRTH) public input workshop that was held on June 6, 2007 in Alpena, and gave a brief synopsis of what occurred. Another public input workshop is being planned for late July, and a website has been set up for state parks planning processes.

Urban Outreach Programs

George Cameron provided information about urban outreach programs that have occurred or being planned throughout the state, some in cooperation with Gary Williams, MSU Extension Office.

Tri-Centennial State Park Lease

Vicki Anthes gave an update on the status of the lease for Tri-Centennial State Park and Harbor. Unofficially, they believe that they have finally come to an agreement on the lease between the DNR and the City of Detroit, which has been 2 ½ years in the making.

Ron Kattoo, new owner of the Boblo Boat, was not able to attend this meeting. Vicki Anthes mentioned that they were contacted last year by the new owner of the Boblo Boat to discuss docking it at Tri-Centennial State Park. After discussions and arrangements for a use permit, it was decided the boat would be docked at the marina and it is scheduled to arrive in time for the opening of the Riverdays Festival. Further discussions will occur for a lease.

Ron Olson further commented that they are still working out details for a business plan to generate revenue, percentage of ticket sales, management of the parking area and a percentage of those revenues to the state.

Kathy Lewand asked when the connector at Tri-Centennial State Park and Harbor would be completed. Vicki responded that this would be part of the next phase and construction is scheduled to begin early next year. However, it will probably take a couple of years to complete the trail.

Legislative Updates

Harold Herta gave a brief update on current legislation, to include the Great Lakes State Park bills, a bill that would make it illegal to jump off piers on the Great Lakes, and a bill to turn road endings into marinas or boat launches.

Todd Scott also mentioned that a bill was recently introduced regarding locals and the fact that they can vote against the department having access or rights to lands. He will let the Committee know the bill number.

Land Issues

Paul Yauk gave a brief update on land transactions, to include various exchanges and transactions of interest. The land consolidation process is also moving forward with the seventh group of counties.

He also commented that the Mill Lake, Waterloo Recreation Area proposal was not a table top discussion. It took a long time and a lot of organizations are involved.

PARKS AND RECREATION PERFORMANCE REPORTS

Harold Herta provided statistics on campnight reservations and cancellations, motor vehicle and boating access site permit sales and revenues, as of the week ending June 9.

He commented that although reservations and boating nights are still down, they are picking up and cancellations are going down, so the gap is closing.

Jim Hendricks made a suggestion to department staff to consider a street level option on the reservation system so people making reservations can zoom in on a desired site. Harold Herta said they will explore this option.

PARKS AND RECREATION FINANCIAL STATUS REPORTS

Sharon Schafer, DNR Budget and Support Services Chief, presented an update on the status of the department's current fiscal year budget. She passed out information that was provided to the NRC's Policy Committee on Finance and Administration, which included fiscal year 2006-2007 General Fund reductions. She mentioned that Executive Order 2007-3 savings of \$20.4 million are primarily due to retirement rate reductions. Since funds have been doing so well in the past few years, a mid-year adjustment was made to the retirement rate. The department will have to pay less for retirements and will not incur those expenses. Enrolled Senate Bill 436 reductions total \$510,000, for total General Fund reductions of \$20.9 million. Parks and Recreation is not included as they do not receive General Funds. An additional \$5.2 million in restricted and federal fund reductions will also occur.

She further mentioned that, although Parks and Recreation is not included in these reductions as they do not receive General Fund support, an additional \$20 million transfer from the Michigan Civilian Conservation Corps Endowment Fund to the General Fund has been proposed. However, statutory modifications are necessary before this transfer can occur, and a bill has not yet been introduced. This fund provides in excess of \$1 million of effort annually to the parks and recreation division and the stewardship program.

Jim Hendricks asked that, if this program is so important, is there any other way it could be funded besides this endowment fund. Sharon responded that programs are strapped everywhere else. This is a program where the department gains a lot of benefit for not a lot of dollars. If this Committee chooses to support this program, cuts will have to be made somewhere else or fees would have to be raised.

Discussions ensued regarding the potential loss of the \$20 million MCCC fund and the affect on the state parks and recreation system and the stewardship program. This proposed transfer will occur in one lump sum, and not \$1 million annually as incorrectly reported by some media. It was recommended that it is up to this Committee to decide if they wish to move forward with saving this fund before legislation is introduced.

Tony Herek also mentioned that the loss of this endowment fund would require parks and recreation to handle their own sign shop, it provides roofing for infrastructure needs each year, loss of wildlife grants would occur, and a loss in excess of \$25,000 federal grant dollars to students would occur.

Hurley Coleman questioned where this decision came from, the Governor's Executive Office or the Legislature. Sharon responded that it is believed this decision came from the executive side. Information was presented to the Legislature regarding the benefits of maintaining this program. However, with the tremendous pressure to save the state's budget and the Legislature tackling one issue at a time, it was decided that this stewardship program would be removed. Hurley further commented that, although it would have been nice to have been involved in these decisions earlier on and it may be too late, this Committee should take a stand in saving this fund and the program.

Mike McDonald recommended passing a resolution opposing the taking of this fund for short-term budget purposes and in support of saving this program. Discussions continued regarding the language to the resolution, and Chris Graham read the proposed resolution out loud to the Committee.

Chris Graham motioned to support this resolution; Hurley Coleman supported the motion; Mike McDonald seconded the motion; the motion carried and the resolution was unanimously adopted.

Ron Olson asked that the Chair deploy this resolution to the Director, with a request to present it to the Office of the Governor and the Legislature. It was agreed that this would be moved forward to the Governor's Office and the Legislature.

Mike McDonald stated that he intends to send this to his legislator.

CCMSP SUBCOMMITTEE REPORTS

Fee/Short-Term Finance

The Chair was absent so the subcommittee did not meet; no report.

Long-Term Finance

The Chair was absent so the subcommittee did not meet; no report.

Marketing and Interpretation

Cheryl Greaney, DNR Marketing and Innovations Team, gave a report on activities that have been occurring in state parks and recreation areas, including events that are scheduled throughout the season. She also gave a report on various marketing efforts that the committee is working on, including a new gift certificate program, partnerships with radio stations, the media, General RV, and other organizations and agencies to promote products and activities that will attract more people to state parks and recreation areas.

Programming and Operations

Besty Clark, Subcommittee Chair, reported that her subcommittee met and is reporting the following activities.

The Lakeport State Park coin-operated shower proposal is being placed on hold, but will be reconsidered at the first of the year. Grand Haven State Park is in the process of upgrading their shower building and will be considering coin-operated showers in that facility.

Paul Curtis provided an update on the Regional Equestrian Planning Team's efforts. He reported that there are currently 16 equestrian facilities, all in southern Michigan. However, there has been an increase in requests and proposals from equestrian groups for more trails and more facilities (i.e. rustic campgrounds) for equestrians. Some groups and organizations have even offered to collaborate with the DNR and assist in any way they can to improve, develop, fund, or maintain existing or additional equestrian facilities. The planning team intends to conduct meetings with various stakeholders, interest groups, friends groups, partners, and other equestrian organizations to further develop a statewide plan for equestrian trails or campgrounds, which will include input from the public.

The subcommittee also reported that the department does not currently charge fees at scenic sites (i.e. waterfalls, mostly in the western UP) and is asking this Committee for approval to charge fees at scenic sites, especially to offset repairs and maintenance of these sites.

Mike McDonald motioned to support the parks and recreation charging fees at scenic sites; Todd Scott supported the motion; all were in favor and the motion unanimously carried.

Finally, weekly reports from the districts were provided to the Committee to get an idea of what goes on at state parks and recreation areas, some being quite humorous in nature.

Stewardship

Mike McDonald, Subcommittee Chair, reported on discussions in the subcommittee regarding the MCCC \$20 million corpus being taken and zeroed out due to budget negotiations. Concern was expressed of any hope that money will be put back into the Trust Fund and if the MCCC program will continue. It was recommended that Ray Fahlsing prepare a report regarding the benefits of this program to the department and the stewards, to include how much money and savings have been generated in comparison to how much it would cost staff to accomplish the

tasks and benefits that are provided by this stewardship program if those monies are lost. Legislatively, this may be a closed issue, but such a report may be helpful to the Legislature and the general public to understand the importance of this program, if this information can get to the right people before a bill is introduced. Mike offered to look into other options to help fund this program (i.e. TF grants), and mentioned that he intends to ask the MRPA's Public Policy Committee to pass some sort of resolution that supports this program and the continued or future funding of this program.

MISCELLANEOUS ITEMS/NEXT MEETING

“Day in the Park for Clergy” Update

Hurley Coleman gave an update on the “Day in the Park for Clergy.” Since the proposal was sent to the Governor's Office, a lot of discussions have occurred and it was decided that they wanted the Governor to be involved and a guest at this event. Hurley contacted the Governor's Office and asked that she participate, but it is still on the table and they are unable to move forward with the original date. He will, however, update this Committee as things develop.

CCMSP Secretary Nomination

Mike McDonald made a motion to nominate Betsy Clark to continue as the Committee's Secretary; Kathy Lewand supported the motion; and the motion unanimously carried.

Replacement of CCMSP Member

Chair Jemerson stated that one member is in violation of Article 6, Section 1 of the By-Laws for non-attendance. He stated that a letter was sent to this member indicating she had missed 5 meetings in a row and to contact him regarding her interest in continuing to participate on this Committee. No response was received.

Murdock asked what the pleasure of this Committee would be as far as her continued participation or replacement. Discussions continued regarding the fact that, since she is an equestrian, her participation on this Committee was very valuable. However, if she showed no interest in maintaining her position on this Committee, then the recommendation would be to find a replacement, preferably another equestrian or someone with ties to the equestrian community.

Chris Graham made a motion to request that this member be replaced; Betsy Clark seconded the motion; all were in favor, and the motion unanimously carried.

Chair Jemerson will request that the Director seek a replacement on this Committee.

Next Meeting

Betsy Clark made a motion to hold the next meeting on the originally scheduled date of July 25, at the Ralph A. MacMullan Conference Center, if it is available; Kathy Lewand seconded the motion; and the motion unanimously carried.

Department staff will look into securing the Ralph A. MacMullan Center and, if it is not available, check into holding it at the Carl T. Johnson Center in Mitchell State Park.

Chair Jemerson asked that if there was no other business for this Committee that they motion to adjourn; Todd Scott motioned to adjourn the meeting; Betsy Clark seconded the motion, and the meeting adjourned at 3:10 p.m.